



Asset for Services

Dispositioning surplus assets for services is a way to trade the value of assets for work. This practice allows the US Department of Energy (DOE) to exchange the value of an asset for dismantlement and removal (D&R) services.

Background

How does this work?—

A scope of work is developed that involves dismantling and removing excess structures and equipment. Assets that have been excessed by the site are grouped together. Subcontractors submit proposals to perform work in exchange for assets and the salvage value of the surplus equipment. The objective is to group assets with sufficient value to the subcontractor to offset the total cost of the work. Ideally with a "Zero Dollar Contract", no dollars exchange hands.

The end result is extremely attractive to both parties.—

DOE and the site get the dismantling completed at no or minimum cost. This is important to the DOE because budgets are shrinking and facilities and equipment continue to deteriorate, increasing risk potential. The cost savings can be used for new missions while the value of excessed assets can be used to finish dismantling and removing surplus facilities. The contractor gets useful assets that are of value to their operations or sells the assets for profit.

...continued on back ►

... and now for the GOOD NEWS

FACILITIES DECOMMISSIONING DIVISION



For example, the 305-1M building has value in that it can be dismantled, transported, re-assembled, and used elsewhere.



Another example is the 312-M Tank Farm. The structure is excessed with no viable mission, but has equipment with value that another company can use.

"PROVIDING COST-EFFECTIVE SOLUTIONS AT THE SAVANNAH RIVER SITE"

98X02224
august 98



Asset for Services

...continued from front

*For further information,
contact:
Tom Feske
725-1561*

As the saying goes, “One man’s junk is another man’s treasure.”

The challenge is to be creative when assembling a grouping of assets such that the value is sufficient to the subcontractor to perform meaningful D&R services.

The “Asset for Services” concept is an innovative approach at SRS to help leverage existing budgets, expedite disposition activities, and minimize potential risks.



In the case of the 717-1M Construction Pipe Building, there may be sufficient assets associated with the equipment abandoned in place to offset the cost for dismantling.



As the site gains experience using this concept, FDD will be developing assets for D&R service contracts in such a way as to dismantle and remove larger process facilities like the 321-M Fuel Fabrication Facility.